



**2007 Farm Bill: A California Perspective
Testimony Submitted by Defenders of Wildlife**

Defenders of Wildlife, a national conservation organization with nearly half a million members and supporters nationwide, including more than 120,000 members in California, offers these suggestions for improvement of the USDA's conservation programs for the 2007 Farm Bill. Defenders is dedicated to the conservation of America's wildlife and the habitats upon which species depend, and we recognize that conservation of the full suite of biological diversity in this country will necessarily entail conservation measures on private lands in general and agriculture lands specifically. Almost 60 % of at risk species (as defined by The Nature Conservancy) are on private or state lands. Nearly 40% of listed plant and animal species are found only on private or state lands. Seventy percent of the land in the United States is in private ownership for range, forestry, or agricultural use. As of 1995, nearly 84% of the plants and animals listed as endangered or threatened were listed in part due to agricultural activities. Furthermore, conservation of biological diversity will also require protecting the habitat of species that are not listed under the Endangered Species Act, but that require proactive conservation measures to ensure that their populations remain stable. While land acquisition by governments or land protection organizations is one important conservation tool, financial and political considerations render infeasible the outright purchase of all of the lands required to protect biodiversity in the U.S. Therefore, conservation gains can best be achieved when private

landowners are willing partners in habitat protection, and the Farm Bill conservation programs are some of our most important tools for helping citizens help wildlife.

Defenders of Wildlife has long been an advocate for voluntary incentives programs that help private landowners conserve wildlife, and for improved flexibility, ease of delivery and effectiveness of these programs. We strongly support the concept of building our nation's farm policy around agriculture's important role in providing and sustaining critical ecological services and functions, including conservation of biodiversity and wildlife habitat values. We hope the 2007 Farm Bill will accelerate the shift away from traditional commodity support-driven policies toward the broader stewardship goals embodied in the 2002 bill's establishment of the Conservation Security Program. We actively supported the conservation title of the 2002 Farm Bill, which contains the single largest appropriation for natural resource conservation in the nation – averaging nearly \$2 billion a year from 2002-2007. We have also been active in advising the Natural Resources Conservation Service, at the state and national level, on implementation of these conservation programs. We have also conducted numerous examinations of stewardship incentives on a national and state level. We believe the combination of our Farm Bill work and our broader examination of wildlife incentive programs uniquely places us to recommend measures that will allow the Farm Bill programs to do an even better job of protecting and enhancing wildlife populations and assist agricultural land owners in doing so with incentives.

1. Fully fund the conservation title of the Farm Bill.

One important way to improve the usefulness of Farm Bill programs for conserving America's wildlife is for Congress to fully fund the conservation title of the 2002 Farm Bill and also subsequent farm bills. The 2002 bill represented an unprecedented commitment to

conservation funding, but that promise has not been realized in the annual funding cycle.

Overall, farm conservation programs have faced a 13.3% shortfall since 2002, and WHIP, a program specifically targeted for wildlife habitat improvements on both agricultural and non-agricultural lands, has been under-funded by almost 30%. The program that has taken the biggest funding hit, the Conservation Security Program, is also the program that has the greatest potential to reward good farm and ranch stewardship. The program is authorized at \$2.8 billion, but has only been funded at \$489 million, an 82.5% shortfall. CSP is currently only offered in select watersheds. In addition to fully funding these watersheds, funding should also be provided to extend the program nationwide. Meanwhile, in 2004, the total backlog of qualified, unfunded applications for farm bill conservation programs reached a record **\$4,477,820,661**, representing **151,716** disappointed landowners nationwide. These unfunded projects met the selection criteria and were accepted, but there was no funding to support them. Of the 2004 total, WHIP had a backlog of 3,000 projects worth \$10.7 million, WRP, a program the President has repeatedly stated he supports, fell short \$649.3 million. GRP also had a huge backlog with 9,000 projects valued at close to \$1.5 billion. GRP has reached its 10-year authorized funding level of \$254 million , so the program will receive no additional funding until the farm bill is reauthorized. Given the continuing disparity between program demand, authorized funding levels and actual appropriations, it is critical that the Conservation Title in the 2007 Farm Bill receive at least the same amount of funding authorized in 2002, and future budget and appropriations processes must not reduce these funding levels.

2. Raise the profile of wildlife conservation in the farm bill programs

As we have noted above, the farm bill conservation title programs have made tremendous contributions to the creation, enhancement and protection of wildlife habitats in the United

States. With some relatively minor legislative adjustments, these programs can do even more for wildlife. The next Farm Bill presents an opportunity to steer more conservation funding to the protection and conservation of native species and wildlife habitat on agricultural lands, and help attain additional conservation objectives, such as enhancing habitat for pollinators and controlling harmful invasive species. Specifically, the next Farm Bill should:

- Promote biodiversity conservation as an objective of all resource conservation programs administered by the US Department of Agriculture. This strategy would allocate a percentage of funding from each program towards implementing conservation practices for habitats of at-risk species, including those that are listed as threatened and endangered. Those habitats and species that have been identified in accepted state wildlife action plans would be given priority, but some funds would also remain available for participants in areas not included in the state plans. This objective supports and broadens existing conservation funding allocation decisions to target specific wildlife priorities, such as for sage grouse, oak habitats, carnivore proactive funds, and Arctic grayling and salmon habitats.
- Reauthorize and fully fund a national Conservation Security Program that makes fish, wildlife and habitat conservation a co-equal resource of concern with soil and water quality. Develop components within the Conservation Security Program that address invasive species control and native pollinator conservation.
- Retain "promotion of at-risk species habitat conservation" as a national priority within the Environmental Quality Incentives Program, and include within this priority management activities that reduce conflicts between agriculture and wildlife, such as proactive measures to keep predators away from livestock, non-lethal management, and integrated pest management.
- Increase irrigated agriculture rental rates under the Conservation Reserve Program and the Conservation Reserve Enhancement Program to make enrollment in these programs more attractive for farmers who want to conserve wildlife habitat under these programs. Current payment levels are not adequate to encourage landowner participation to protect some important habitats.
- Expand the Wildlife Habitat Incentives Program with a higher level of mandatory funding. This program, which assists both farmers and landowners with wildlife habitats in non-farm land use, has the potential to be one of the most valuable tools for protecting imperiled plants and animals, and for keeping species from becoming imperiled. We also recommend expansion of the component that allows for a 100% cost-share for habitat conservation projects of 15 years or longer that are aimed at at-risk species. The definition

of “at risk” should be transferred from the Secretary of Agriculture to the US Fish and Wildlife Service.

- Allow semi-permanent wetlands in riparian areas to be eligible for the Wetland Reserve Program funding and easements.

3. Link conservation priorities to state comprehensive wildlife conservation strategies.

The 2001 Interior Appropriations bill stipulated that all states must complete comprehensive wildlife action plans by October 2005 to continue receiving federal wildlife grants to states. These state strategies can potentially help identify habitats that are important for listed species, and also habitats for important or declining species that are not yet facing listing. Strong state plans can be used to define conservation priorities and to get ahead of the endangered species curve. Defenders believes the states' strategies can provide guidance for implementing Farm Bill conservation programs. For example, habitats identified in state strategies could receive an increased score in the environmental benefits index or ranking system used for CRP, EQIP and other programs. States with clearly defined habitats in need of conservation on working lands could be given additional federal funding to implement their plans. This may help serve as an incentive for states to use the plans to guide investment of state wildlife grant funds.

4. Coordinate with other agencies and plans for effective incentive programs.

In the world of conservation incentives, there is a confusing potpourri of agencies, programs, and conservation goals. Improved coordination would assist all parties in working together to address high priority issues. This coordination should include federal, state, tribal, and local agencies and their plans and programs. Integrated conservation goals and programs

would allow agencies to address simultaneously multiple issues, such as biodiversity, water quality, and transportation planning.

Interagency coordination also needs to address regional issues. For some species and habitats, multi-state coordination is critical to developing effective conservation programs. In addition, regional approaches can help address conservation needs in some states. One way this is already being accomplished is through the Conservation Reserve Enhancement Program, which coordinates Federal and non-federal resources to address specific conservation objectives of a State and the nation in a cost-effective manner, and to improve water quality, erosion control and wildlife habitat related to agricultural use in specific geographic areas. WHIP, GRP, and WRP are being used on a regional basis to address habitat needs for species like the sage grouse and the ivory-billed woodpecker; we support continued and expanded use of these programs to meet the needs of listed, candidate and other at-risk species. USDA should also make broader use of the Partnerships and Cooperation program, which is meant to foster innovative approaches to targeting and implementing conservation programs. We recommend the next Farm Bill authorize allocation of a portion of federal agricultural conservation funds to joint federal-state flexible incentive accounts designed to support projects that are consistent with state-wide or eco-regional conservation plans and offer the greatest public benefit at the lowest cost.

5. Strike a balance between strategic and opportunistic approaches.

Incentive programs and other private land conservation efforts are generally opportunistic, driven by landowners' interest in participation, rather than strategic wildlife needs. We need to find a better balance between strategic and opportunistic approaches to ensure that high priority conservation goals are met, while also meeting the needs of producers who wish to enroll in

conservation programs. As described above, a strategic approach to species and habitat conservation could use the states' comprehensive wildlife conservation strategies or other landscape-scale conservation plans to prioritize efforts and funding. One means of accomplishing this would be to assign a higher priority to projects that support habitat and management activities identified in recovery plans for listed species, and projects that benefit other species of concern at the state, regional or national level. Programs should also provide additional incentives for landowners who agree to longer-term protection of sensitive habitats. For instance, WHIP currently allows a portion of funds to be allocated for 100% cost share of projects for 15 years or longer that are aimed at "at risk" species "as defined by the Secretary." This is an important provision which should be continued, although the "at risk" designation should be made by the Fish and Wildlife Service or state wildlife agency.

State and federal agency staff could recruit landowner participation in high priority areas or habitats. More funding is needed for outreach to landowners about incentive programs. Landowners with high-priority habitats, whether identified strategically or opportunistically, should receive priority in the allocation of scarce incentive dollars. Landowners with intact or rare habitats should receive incentives that reward continuing stewardship of their land's conservation values, rather than allocating dollars only to lands that have experienced ecological degradation. Programs must also be designed and implemented in ways that do not create perverse incentives to destroy habitats; for instance, the CRP program should contain provisions to guard against sodbusting intact grassland or shrubland habitats.

While strategic conservation efforts are important, opportunistic approaches do need to continue. Conservation opportunities are constrained by complex political, economic, and social

factors. In some cases, these variables determine where conservation funding goes. In addition, it is critical to allow landowners to participate in programs in which they are interested. This can allow neighbors and friends to learn about programs.

6. Improve landowner access to programs through “one-stop shopping.”

The potpourri of conservation incentive programs also creates a significant barrier to landowner participation. Many landowners are unaware of programs, while others lack the time, money, or knowledge to wade through the maze of differing program requirements and their complex paperwork. Furthermore, landowners can be frustrated by dealing with multiple programs, applications, deadlines, agencies and jurisdictions. The problem is compounded when funding constraints leave worthy applications unfunded – contributing to both landowner frustration with the process, and raising the risk that important habitat resources will be destroyed. Landowners need improved access to programs.

Ideally, each state would offer one-stop shopping for all incentive programs. We recommend that funding be used for agency personnel, extension agents, or third-party technical assistance providers to serve as liaisons between programs and landowners. The incentive liaisons could use the state comprehensive wildlife conservation strategy to identify high conservation priorities and target landowners. At the same time, the incentive liaisons would evaluate opportunistic requests from landowners and bundle incentive programs as needed to address landowners’ circumstances and needs. There are many possible ways to design a one-stop shopping system, which need to be evaluated in more detail and developed into a legislative concept to test and share with interested states.

One method of ensuring that incentive funds are meeting conservation goals is to reward collaborative efforts that bundle landowners, conservation goals, plans, permits, and/or programs. Such collaborative efforts could be organized by a landowner group, conservation group, or by agency staff, extension agents, or consultants as discussed above. Collaboration for a watershed or regional conservation effort will accomplish more toward conservation goals than a landowner-by-landowner or issue-by-issue approach. Funding and assistance for landowner groups would also be a good investment toward making conservation efforts more effective. Landowner groups are interested in water quality and other outcome-based monitoring, enforcement when requested, education, and technical assistance.

Another key element to the success of incentive programs, for both landowners and conservation outcomes, is long term and stable funding (see Recommendation #1, above). Currently, many programs (or their funding levels) come and go, leaving landowners confused and frustrated, and leaving habitats and species inadequately protected. We should also emphasize that “one-stop shopping” can and should occur *without* consolidation of existing programs.

7. Expand education, technical assistance, and training.

The need for additional funding for technical assistance is almost universal for incentive programs and landowners. Some landowners need technical information or advice, while others need assistance with proposals, plans, permits, or budgets. Some landowners simply need information on what conservation practices to use on their property, but do not need financial incentives. An important element of education and technical assistance is to provide opportunities for landowners to learn from other landowners, via field trips and demonstration

projects highlighting key habitats or conservation practices. The need for education and technical assistance also applies to agency personnel, for example in forestry, agriculture, extension, and transportation. To improve the quantity of needed technical assistance, we recommend two actions. First would be the establishment of a Resource Conservation Corps, which can be designed along the same lines as the Peace Corps. Participation in the corps would provide student-loan payment credits to those graduating in the agricultural sciences from the land grant schools and willing to volunteer for two years to serve in rural communities. Second, the USDA should set up “conservation cooperatives” wherein landowners could share financial resources, technical assistance, and information to achieve habitat and species conservation objectives.

8. Support and coordinate private sector and market-driven incentives.

The USDA should support and increase coordination with the private sector for habitat conservation. Market-driven or community efforts (such as certification programs, niche marketing, eco-labeling, eco-tourism, and recognition programs) can provide creative methods for meeting landowners' economic objectives while also meeting conservation and community objectives. Eco-labeled products can command a price premium with an ever-growing share of the American public. There are currently a multitude of different eco-labels, with different standards, meanings and certifying organizations. The USDA has successfully implemented a national standard for organically grown foods, and thanks to broad public input and third-party certification this label is considered highly credible by consumers. Defenders of Wildlife has been active in promoting the Healthy Grown eco-label for potatoes (see <http://www.healthygrown.com>) and Predator Friendly Beef (see <http://news.fws.gov/articles/PredatorFriendly.html>), and has also documented the economic benefits of eco-tourism associated with the reintroduction of red wolves in the agricultural

communities of eastern North Carolina. All of these programs, when developed and certified according to clear standards, can provide landowners and businesses with an economic reward for their efforts to preserve and enhance habitat and to engage in proactive management practices that ensure wildlife persistence. Additional funding for such programs through Title I marketing assistance programs is important for encouraging innovation and collaboration.

9. Evaluate the effectiveness of conservation programs

To ensure that conservation programs are effective, it is critical to evaluate their performance. Similarly, programs need to be designed to produce desired conservation outcomes, not simply to follow approved practices and ignore results.

Several key areas need evaluation as we develop better conservation programs. We need to shift to performance evaluation, measuring conservation outcomes, rather than simply counting inputs such as landowners, acres, or trees. We also need to evaluate landowner perspectives, including interest, knowledge, and motivations. The next task is to evaluate and understand the variability in program performance and in landowner perspectives: Why does one program work and another does not? Why does a program work in one area and not in another? How do landowner perspectives vary, both within and between programs? Unraveling the reasons for variability in programs and in landowners will help us address problems with existing programs and design new programs that are more effective for species and habitats and for program participants. We are pleased that USDA has recently updated the December 2000 “Comprehensive Review of Farm Bill Contributions to Wildlife Conservation, 1985-2000,” but note that for many programs, data on program outcomes simply does not exist. Ultimately, a system is needed that measures the results of all conservation programs on the ground.

Measuring the cumulative effects of all land use and conservation practices will allow us to evaluate progress toward broader conservation goals and adjust programs and policies to ensure that conservation efforts are effective in the long run.

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